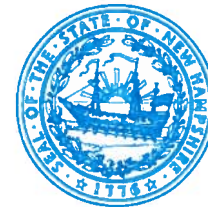




The State of New Hampshire
Department of Environmental Services



Clark B. Freise, Assistant Commissioner

January 17, 2017

The Honorable Neil M. Kurk
Chair, House Finance Committee
Legislative Office Building, Room 210-211
Concord, NH 03301

RE: HB 119-FN-A-LOCAL – An act making appropriations to the department of environmental services for the purpose of funding eligible drinking water and wastewater projects under the state aid grant program.

Dear Chair Kurk and Members of the Committee:

Thank you for the opportunity to comment on HB 119-FN-A-LOCAL. This bill would appropriate funds for eligible and completed wastewater projects under the state aid grant program. The New Hampshire Department of Environmental Services (NHDES) supports this bill.

The state aid grant programs for water pollution control authorized under relevant sections of RSA 486 and 486-A, is among the most important and successful environmental programs in the state's history. Over the past 50 years, more than \$400 million in aid has been granted to eligible New Hampshire entities to help offset the cost of local environmental infrastructure projects. Many of New Hampshire's communities would have found necessary environmental infrastructure projects unaffordable were it not for state aid. It is important to note that this investment in local infrastructure has unquestionably benefited the entire state in the form of a healthy and clean environment which draws many outdoor enthusiasts to the state and helps support our vital statewide tourism economy.

Funding for state aid grants has been made available to eligible entities through appropriations to the NHDES operating budget. As a result of budgetary constraints resulting from the most recent recession, funds for state aid grants for new projects were not appropriated to NHDES for distribution from November 2008 until July 1, 2013. Chapter 144, Laws of 2013 provided state aid grant funds for 127 wastewater, drinking water and landfill closure projects identified on the NHDES "delayed and deferred" list of projects waiting for state aid grants. The General Court also recognized at that time that there were some eligible infrastructure projects that were not on the delayed and deferred list and provided that those additional projects would be eligible for state aid grants subject to availability of funding. Specifically, such projects were described in Chapter 144, Laws of 2013 as follows: "Infrastructure projects that had local authorization by December 31, 2008, to construct but are not listed in section 101 are eligible for state aid grants subject to availability of funding." This latter set of projects is now referred to as "Tier 2" projects.

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29 Hazen Drive • PO Box 95 • Concord, NH 03302-0095
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There are twenty projects identified as meeting the definition of Tier 2 projects. In 2016, HB 1428 appropriated and restored state aid grant funding for eight of those 20 projects. This bill provides funding for the 12 projects that comprise the list of infrastructure projects currently known to NHDES to have received local authorization by December 31, 2008.

HB 119-FN-A-LOCAL expressly provides that state aid grant payments for fiscal year 2018 and 2019 will be made for these 12 projects in each respective fiscal year and shall not lapse until June 30, 2019.

NHDES believes that enactment of this bill would represent an important step in the continuing effort to help our cities and towns offset the high cost of environmental infrastructure that benefits the entire state. Please feel free to call Eugene Forbes, Water Division Director, at 271-3308, or me at 271-2958, if you have any questions or need additional information.

Very truly yours,

A handwritten signature in black ink, appearing to read 'C. Freise', with a stylized flourish at the end.

Clark B. Freise
Assistant Commissioner

cc: Sponsors of HB 119-FN-A-LOCAL: Rep. Bucu, Rep. Danielson, Rep. Twombly, Rep. Umberger, Rep. Rosenwald, Rep. Mangipudi, Rep. Leishman, Rep. Ebel, Rep. Theberge, Sen. Bradley, Sen. Fuller Clark